

Municipal Government Act Review

What We Heard: A Summary of Consultation Input

Governance and Administration Technical Session
Held in Lethbridge on February 26, 2014

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Developed by KPMG for Alberta Municipal Affairs



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Introduction

Purpose

This document provides a summary of what was heard during a consultation session for the *Municipal Government Act* (MGA) review. The summary below includes the comments and opinions of the participants of the Governance and Administration Technical Session held in Lethbridge.

These contributions have not been reviewed or edited for accuracy. Comments recorded here reflect the opinions of individuals offered in person and recorded by session facilitators; they do not necessarily represent the opinion of the Government of Alberta.

The input summarized below will be considered by Alberta Municipal Affairs as part of the review of the legislation. Municipal Affairs would like to thank the participants of this session, as well as all Albertans participating in the review of the MGA. Any inquiries related to this summary or to the consultation process should be directed by email to the MGA Review Team at mga.review@gov.ab.ca.

The Municipal Government Act Review

The MGA is designed to help build strong, prosperous and sustainable communities throughout Alberta. Alberta Municipal Affairs is reviewing and refreshing the MGA to address evolving circumstances and priorities in Alberta's many communities, and to ensure the MGA continues to meet its objective. A successful MGA review process will continue to position Alberta as the leading Canadian jurisdiction in terms of municipal legislation, having incorporated sound thinking, input and research into a clear Act that meets the needs of the Province and municipalities. In order to achieve this vision, an inclusive and comprehensive engagement process was developed to ensure stakeholders across the province have opportunities to provide input to the review.

As part of the MGA review, regional consultations were held in eleven locations around the province to give Albertans an opportunity to provide input face-to-face. In each location, different types of sessions were held, including Technical Sessions, a Business and Industry Session, a Municipal Administrators Session, an Elected Officials Session, and a Public Open House.

These engagements were conducted in February 2014 to April 2014 in 11 locations throughout the province. Each location was held over 3 days in the following locations::

- Brooks
- Calgary
- Edmonton
- Edson
- Fort McMurray
- Grande Prairie
- Lethbridge
- Medicine Hat
- Peace River
- Red Deer
- Vermilion

Sessions were promoted via news releases, direct email invitations, social media, and by the Minister of Municipal Affairs at stakeholder conventions. Information on regional session locations, dates and registration were on the MGA Review website.

Input to the MGA Review has also been provided through other channels, including the MGA Review website (mgareview.alberta.ca), the MGA Review Consultation Workbook, and official submissions.

Session Overview

Session	Governance and Administration Technical Session
Location	Lethbridge Lodge, Lethbridge
Date	February 26, 2014
Number of Participants	11

- This session was open to anyone who wished to attend. Participants were asked to register in advance in order to receive background materials before the session.

Regional Consultation Methodology

How sessions were organized

Regional consultations were structured around one or more of the three themes of the MGA Review:

- Governance and Administration
- Assessment and Taxation
- Planning and Development

Participants were provided with agendas in advance, which identified a list of potential topics for discussion. These topics were taken directly from the MGA Review Consultation Workbook. Several of the topics for discussion appear under more than one of the three themes of the review because they are relevant to more than one theme (e.g. public participation). The agenda is attached as Appendix A.

At this session, participants provided input through facilitated table discussions. The goal of the facilitated conversations was to give the opportunity to all participants to discuss the issues that mattered most to them. Given the large size and scope of the MGA, participants at each table were asked to focus their discussion on those topics that they felt were most important to provide input on, using the list provided in advance. In addition, this session included time for “open discussion” during which participants could provide any additional input that they felt was important to the review. Table facilitators and note takers included staff from Municipal Affairs, KPMG and ADR Education.

Capturing input and reporting

Input from session participants was captured on flipcharts by facilitators during the discussion. It was explained to participants that:

- Comments were being recorded on flipcharts so that they could be captured and considered by Municipal Affairs as part of the review of the MGA.
- Comments would not be attributed to individuals or organizations.
- Other avenues were also available to provide written input to the review.

The summary below documents the input heard from participants and recorded on flipcharts. These comments have been transcribed and organized according to the list of topics for discussion; they have not been screened for accuracy and do not reflect consensus of participants. As a result, comments and opinions listed may be contradictory. Comments that apply to issues outside of the scope of the review (e.g., suggested changes to other legislation) have been removed.

It is important to emphasize that this summary reflects the input heard from participants, and does not necessarily reflect the position of the Government of Alberta.

How the Summary of Responses is Organized

Input from session participants is organized according to the three themes for the review:

- *Governance and Administration*
- *Assessment and Taxation*
- *Planning and Development*

Within these themes, comments are organized according to the applicable topics for discussion, using the list provided to participants in advance. In some sessions, not all themes may have been discussed.

Summary of Input

Governance and Administration

The following input was received and documented related to governance and administration.

Municipal Powers, Structures, Annexations and Other Changes

Municipal powers

Comments from participants included that:

- Natural person powers need to be maintained in the revised MGA.
 - The current flexibility given to municipalities is working well.
- The *Alberta Land Stewardship Act*, South Saskatchewan Regional Plan, *Agricultural Operation Practices Act*, and the *Water Act* are taking powers away from municipalities.
- Generally, the definitions in the MGA need to be more complete and clear so that municipalities can correctly implement bylaws.

Municipal structures

Comments from participants included that:

- Smaller municipalities are struggling financially. There are no economies of scale, with each municipality providing services to its residents.
 - There is a need for more provisions and support for the smaller and financially struggling municipalities.
- Population and density thresholds need to be re-evaluated.
 - Hamlets are not getting the support they need to deliver services when they meet the population requirements, but not the density requirements.

Fundamental changes and municipal restructuring

Comments from participants included that:

- The MGA should include a reference to “good faith” during annexation negotiations.
- There should be a clear process for when a municipality is no longer financially sustainable.
- The MGA needs to promote responsible government in maintaining smaller municipalities to help prevent the municipality from defaulting and to help prevent them from going into distress.
- The MGA needs some sort of mechanism to protect a municipality during annexation and dissolution.

Municipal Governance and Administration

Municipal governance

Comments from participants included that:

- The MGA needs to define the purpose of municipal government.
- There should be more clarity to distinguish between the functions of municipal governance and of municipal administration.
- The public needs more detailed meeting records that capture entire discussions, as the meeting minutes are not enough.
 - The MGA should mandate the audio or visual recording of meetings.
- Clearer rules are needed regarding councillor conduct and what to do when these rules are breached.
 - Mechanisms other than going to court are required for handling these cases.
- Governance works well until the Province forces a municipality to get involved in provincial decisions or projects that the municipality would have otherwise not have been involved with.
- There should be minimum standards for training and qualifications of elected officials.
 - There should be mandatory training, especially for officials dealing with budgets.
- Election dates should stay the same, instead of changing suddenly.

Municipal administration

Comments from participants included that:

- The MGA should clarify the conduct of the chief administrative officer, including a role description and performance standards.
- The Province should play a stronger role in benchmarking between municipalities for resource management in areas like staffing levels and spending.
- Council interference in administrative matters is challenging and creates conflict.
 - There is a lack of tools available to address council interference.
- Chief administrative officers should meet a minimum standard for education. However, this may decrease potential administration candidates in rural areas.
- There should be mandatory training and qualification for municipal staff, like in Saskatchewan.
 - There should be continuing education opportunities available for staff.
- There should be clearer definitions of basic administration enforcement.

Municipal Finances

Financial administration

Comments from participants included that:

- The MGA should equalize what municipalities spend on items like staffing and roads across the province.
 - There should be benchmarks between municipalities of comparable size.
- Annual audits of the public sector accounting board should take place.
- The MGA should revisit the debt limit for smaller communities.
 - Debt limits are not working because publically owned corporations currently have to borrow from municipalities, as they can't go to the bank for a loan on their own. This impacts the remaining room beneath the debt limit of the municipality.

Regional funding approaches

Comments from participants included that:

- The Municipal Sustainability Initiative could be a starting point for a new emphasis on sustainability within the MGA.
- The Municipal Sustainability Initiative funding that was taken away needs to be restored.
 - The current grant requirements under the Regional Collaboration Program are not realistic. Municipalities can't partner on absolutely everything.
- Revenue sharing must remain voluntary.
- The structure of formalized collaboration should be focused on revenue sources, not population size.
 - There is an imbalance between large urban, small urban and rural municipalities.
- Distances between smaller rural communities hinder regional collaboration.
- Provincial government should oversee regional collaboration to reduce duplication.

Municipal revenue sources

Comments from participants included that:

- A new tax regime would be beneficial that allows taxpayers to pick and choose which services they want to subscribe to and contribute taxes towards.
- More revenue options should be available, such as wholly owned municipal corporations.
 - The MGA should make alternative financial tools available like in the USA.
 - For example, bonds are an opportunity for additional revenue with interest paid back to local investors.

Fees and levies

Comments from participants included that:

- The MGA should provide more clarity on what fees and levies municipalities can charge.
 - The existing list could be broadened to include more fee and levy opportunities.
- There are too many imposed fees that affect business negatively. This cost is passed onto the consumer and production is negatively impacted.
- Aggregate levies need to increase from the 25 per cent level.

Municipal Accountability, Liability, and Risk Management

Compliance and accountability

Comments from participants included that:

- The democratic process is not enough to ensure accountability.

Liability and risk management

Comments from participants included that:

- The MGA needs to make sure municipalities aren't responsible for certain liabilities and that they are doing their own due diligence, as currently outlined in Section 527.2 (Acting in Accordance with Statutory Authority).

Provincial powers

Comments from participants included that:

- Provincial powers are generally working well in relation to the MGA.
- More provincial oversight would be helpful in consistently applying the MGA, as inconsistencies are a huge cost to business.
- The provincial government branches providing funding and those enforcing the regulations are not communicating effectively amongst themselves, which is having a negative effect on municipal negotiations.
 - More power needs to be given to the municipalities because they know where the need is within their own municipality, particularly regarding basic services.

Municipal Services and Delivery

Service provisions

Comments from participants included that:

- Municipalities need to decide on basic services.
- The MGA should define what services a municipality should provide.

Regional Services Commissions

Comments from participants included that:

- Provisions dealing with regional services commissions are working fairly well.
- The MGA needs to clearly define what “regional authority” and “regional services” are.

Municipally Controlled Corporations

Comments from participants included that:

- There should be more municipally controlled corporations.

Public Participation and Municipal Relations

Municipal relationships and dispute resolution

Comments from participants included that:

- The voluntary cooperation process is working well.
- There should be better ways for municipalities to invoke action from the provincial government than what is available.
 - The courts are very expensive, time-consuming and damaging to relationships.
 - There should be an oversight body that is neutral and facilitates conflict resolution.

Public participation

Comments from participants included that:

- The MGA should modernize available forms of communication to include options like email and websites.
- Business owners that operate their business in an area in which they don't reside should still have the same voting rights as residents.
 - This may make for a more responsible government.
- There should be more engagement of the public to provide input on budgets before approval.
 - If there is more transparency on spending across municipalities, the public will be better prepared to engage.
- Petition thresholds are too high.
- Enforcing a minimum of 20 per cent of the population required for petitions would be an improvement.
- Conflict should not be the main catalyst for engagement with the public.

Municipal Government Board

Comments from participants included that:

- The Municipal Government Board is currently working well.

Planning and Development

During the discussions surrounding governance and administration some discussion occurred on planning and development. The following input was received and documented related to planning and development.

Subdivision and Development Authorities and Processes

Planning authorities

Comments from participants included that:

- Rules for how municipal officials work with developers need to be more clearly defined.

Appendix A: Session Agenda

MGA Review: Governance and Administration Technical Session

Agenda Item	Timing
1. Welcome and introductions	10:00-10:10
<p>2. Potential topics for discussion:</p> <p>The following topics will be available for table discussion:</p> <p><u>Subject 1: Municipal Powers, Structures, Annexations and Other Changes</u></p> <ul style="list-style-type: none"> • Municipal powers • Municipal structures • Fundamental changes and municipal restructuring <p><u>Subject 2: Municipal Governance and Administration</u></p> <ul style="list-style-type: none"> • Municipal governance • Municipal administration <p><u>Subject 3: Municipal Finances</u></p> <ul style="list-style-type: none"> • Financial administration • Regional funding approaches • Municipal revenue sources • Fees and levies <p><u>Subject 4: Municipal Accountability, Liability, and Risk Management</u></p> <ul style="list-style-type: none"> • Compliance and accountability • Liability and risk management • Provincial powers <p><u>Subject 5: Municipal Services and Delivery</u></p> <ul style="list-style-type: none"> • Service provisions • Regional services commissions • Municipally controlled corporations <p><u>Subject 6: Public Participation and Municipal Relations</u></p> <ul style="list-style-type: none"> • Municipal relationships and dispute resolution • Public participation • Municipal Government Board 	10:10-10:20
3. Change tables (if needed)	10:20-10:25
<p>4. Table facilitation</p> <ul style="list-style-type: none"> ▪ Up to three topics will be prioritized for discussion (~20 minutes each) ▪ Discussion will focus on what is working well, desired changes, and potential impacts of changes to the legislation 	10:25-11:35
<p>5. Open discussion</p> <ul style="list-style-type: none"> ▪ Are there any other relevant topics participants want to address? 	11:35-11:55
6. Wrap-up	11:55-12:00